



Farm Service Agency

Montana Farm Service Agency

FSA Working Across Montana - FY 2007

In keeping with the mission of the USDA Farm Service Agency (FSA) of providing a safe and affordable food supply, FSA in Montana issued more than **\$242.5 million** in program payments and loans to Montana farmers and ranchers during Fiscal Year 2007 running from October 1, 2006 to September 30, 2007. These payments are from programs FSA in Montana administers or from programs created by special authority of Congress.

Conservation: \$117.5 million

FSA has issued \$117,520,125 in payments to Montana's farmers and ranchers in conservation programs to conserve and improve soil, water, and wildlife resources.

\$116,612,674 - Conservation Reserve Program (CRP) is USDA's single largest environmental improvements program as well as the most effective. It is a voluntary program providing financial incentives to producers who convert highly erodible cropland or environmentally sensitive acreage to long-term vegetative cover.

\$126,660 - Grassland Reserve Program (GRP) is a voluntary conservation program that helps private land owners and operators restore and protect grassland, including rangeland and pastureland.

\$774,181 - Emergency Conservation Program (ECP) provides emergency funding and technical assistance for the rehabilitation of farmland damaged by natural disasters and for emergency water conservation measures in periods of severe drought.

\$6,610 - Wetlands Reserve Program (WRP) is a voluntary program administered by FSA in conjunction with NRCS that provides financial incentives to enhance wetlands in exchange for retiring marginal agricultural land. Easement and annual rental payments are included in the total.

Production & Compliance: \$80.5 million

Producers received \$80,484,705 in benefits through programs such as the Direct and Counter-cyclical Program (DCP) and the Hard White Wheat Incentives Program (HWWIP).

\$80,462,148 - Direct and Counter-cyclical Program (DCP) provides direct and counter-cyclical payments for the 2002-2007 crops. Counter-cyclical payments are made when the effective price for eligible commodities is less than the target price.

\$22,557 - Hard White Wheat Incentives Program (HWWIP) made available \$20 million for incentive payments based on production and certified seed planting for the 2003-2005 crops.



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Disaster Assistance: \$723,740

Producers received \$723,740 in disaster assistance programs during FY2007. These programs assisted producers in maintaining their viability during extensive drought and other natural disasters.

\$723,740 - Non-insured Crop Disaster Assistance Program (NAP) covers crops for which crop insurance is not available. NAP provides assistance to producers when low yields, loss of inventory, or prevented planting occurs as the result of natural disasters.

Price Support: \$3.8 million

Montana producers received \$3,761,393 in support during FY 2007 through loan deficiency payments, market gains and the Milk Income Loss Contract Extension Program. These programs help improve and promote the economic stability of agricultural communities and ensure equitable delivery of program benefits and services.

\$1,917,345 - Loan Deficiency Payments (LDPs) were made to producers who agreed to forgo a commodity loan in return for a payment on the eligible commodity. LDP provisions allow compensation when market prices are low, as long as the producer maintains beneficial interest in the commodity.

\$419,932 - Milk Income Loss Contract Extension Program (MILCX) financially compensates dairy producers when

domestic milk prices fall below a specified level.

\$1,424,116 - Market Gains are earned in the process of repaying a non-recourse loan with a Commodity Credit Corporation (CCC) determined repayment rate that is less than the announced loan rate, or at a rate higher than the loan rate when the repayment amount is less than principal plus interest.

FSA Serving Montana Farmers and Ranchers

The Farm Service Agency (FSA) is an agency under the United States Department of Agriculture. From the mountains in the west, to the plains in the east, FSA in Montana administers programs that provide incentives and compensate a diverse agricultural community.

FSA had its inception in 1995 when the former agency, the Agricultural Stabilization and Conservation Service (ASCS) joined ranks with the agricultural lending programs of the former Farmers Home Administration (FmHA). Both of these agencies were born out of the dust-bowl legislation in the 1930's and 1940's enacted to provide financial assistance to farmers and ranchers.



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Farm Loans: \$40 million (not including 185 subordinations of \$16.85 million)

FSA made 322 loans for \$39,998,866 in direct and guaranteed farm operating loans, farm ownership loans, and emergency loans to Montana's eligible farmers and ranchers who are temporarily unable to obtain private or commercial credit. Portions of these funds went to the following specific groups.

14 loans for \$61,200 - Youth Loan Program provides youths the chance to learn how to manage a business and their finances. A \$5,000 limit is placed on this loan program.

88 loans totaling over \$8.0 million - Beginning Farmer and Rancher loans are provided to borrowers who have not operated a farm or ranch for more than 10 years and will participate in the day-to-day operation of the farm or ranch.

61 loans for \$3.4 million - Minority Producer loans are provided to borrowers who are members of groups that have not always had access to FSA financing such as women, African-Americans, Native Americans, Asian Americans and Hispanics. Many of the minority loan applicants also met the Beginning Farmer and Rancher definition.

Program Payments By County* - \$202,300,654

Beaverhead	\$ 295,542	Granite	\$ 27,912	Prairie	\$ 2,168,915
Big Horn	\$ 3,520,216	Hill	\$17,490,779	Ravalli	\$ 130,834
Blaine	\$ 8,790,805	Jefferson	\$ 188,589	Richland	\$ 6,236,821
Broadwater	\$ 2,022,908	Judith Basin	\$ 2,863,932	Roosevelt	\$ 8,408,091
Carbon	\$ 1,215,142	Lake	\$ 587,373	Rosebud	\$ 2,689,332
Carter	\$ 1,365,458	Lewis and Clark	\$ 547,727	Sanders	\$ 59,120
Cascade	\$ 5,747,170	Liberty	\$ 8,401,621	Sheridan	\$ 8,984,525
Chouteau	\$19,006,505	Madison	\$ 561,972	Silver Bow	\$ 4,386
Custer	\$ 1,343,702	McCone	\$ 6,525,030	Stillwater	\$ 2,614,437
Daniels	\$ 6,921,414	Meagher	\$ 513,617	Sweet Grass	\$ 146,155
Dawson	\$ 5,047,451	Mineral	\$ 16,552	Teton	\$10,021,070
Deer Lodge	\$ 56,233	Missoula	\$ 100,032	Toole	\$ 9,503,726
Fallon	\$ 2,204,701	Musselshell	\$ 1,683,965	Treasure	\$ 458,453
Fergus	\$ 5,186,254	Park	\$ 576,006	Valley	\$ 9,239,414
Flathead	\$ 576,551	Petroleum	\$ 627,363	Wheatland	\$ 1,775,484
Gallatin	\$ 1,563,761	Phillips	\$ 7,211,508	Wibaux	\$ 1,826,452
Garfield	\$ 4,090,490	Pondera	\$ 7,987,032	Yellowstone	\$ 4,255,614
Glacier	\$ 6,062,025	Powder River	\$ 801,039		
Golden Valley	\$ 1,942,636	Powell	\$ 106,812		

*Does not include farm loans.